

ARIZONA DEPARTMENT OF REAL ESTATE  
REAL ESTATE ADVISORY BOARD  
MINUTES  
January 18, 2007

The Arizona Real Estate Advisory Board met on Thursday, January 18, 2007 at the Arizona Department of Real Estate (ADRE), 2910 N. 44<sup>th</sup> Street, First Floor Conference Room, in Phoenix, Arizona.

**I. CALL TO ORDER**

Chair Gary Brasher called the meeting to order at approximately 10:00 a.m.

Members present:

Gary Brasher, Chair, Tubac  
Lisa Suarez, Vice Chair, Tucson  
Frank Dickens, Member, Flagstaff  
Vicki Cox Golder, Member, Tucson  
Vince Pellerito, Member, Scottsdale  
Ann White, Member, Tucson  
Tom Pancrazi, Member, Yuma  
R.L. Brown, Member, Sun City

Unable to attend: Felipe Zubia, Member, Avondale

ADRE representatives present:

Sam Wercinski, Commissioner  
Dick Simmons, Interim Commissioner  
Ronald Passarelli, Deputy Commissioner  
Tom Adams, Director of Regulation  
Tory Anderson, Chief Financial Officer  
Roy Tanney, Director, Development Services Division  
Mary Utley, Personnel & Communications Director  
Cindy Wilkinson, Director, Licensing and Professional Education Division  
April Ellis, Administrative Assistant to the Commissioner

Public present:

Elaine Richardson, Former Commissioner

**II. MINUTES**

Upon motion by Frank Dickens, seconded by Ann White, the Minutes of the October 19, 2006 meeting were unanimously approved.

**III. FACILITATOR REPORT FROM ADVISORY BOARD MEMBERS**

Chair Brasher requested that members report on their facilitator inquiries. Several members had received inquiries from the public.

#### **IV. COMMISSIONER'S REPORT**

##### **Update**

Interim Commissioner Dick Simmonds thanked the Board and Department staff for their confidence during his short tenure as Commissioner. He noted items that he and staff had been working on during his tenure. Those items were as follows:

- ❑ Updating the Public Report application (latest statutes and language). The report was sent to stakeholders.
- ❑ Launch phase 1.5 of the online system making renewal transactions smoother and easier. (Scheduled to be launched Monday, January 22, 2007)
- ❑ Phase 2 (will allow entity renewals & broker enhancements) scheduled to launch in June. A meeting with brokers from large brokerage firms has been scheduled.
- ❑ The new phone system was installed last week.

Commissioner Wercinski thanked former Commissioner Elaine Richardson for her support that assisted him in his decision to accept the position of Commissioner. He voiced his pleasure with the professionalism of the staff at ADRE. The Commissioner also touched on funding for ADRE and his focus of obtaining increased funding for the department addressing challenges such as staff shortfalls resulting from attrition, and backlogs in both licensing and investigations. Tory Anderson (Legislative Liaison) and Commissioner Wercinski have been making rounds at the Capitol, meeting with Legislators who do acknowledge there are serious challenges to overcome.

##### **Legislation**

Commissioner Wercinski reported that the Department is going to submit legislation that will have an immediate as well as long-term positive impact within the licensing division as well as the industry. Commissioner Wercinski highlighted the following issues:

- ❑ Change from 2 to 4 year licenses.
- ❑ Begin issuing 4-year licenses as soon as the Governor signs the Bill.

- ❑ Increase the education from 24 hours to 48 hours and improve professionalism within the industry.
- ❑ Require 12-credit hrs every 12-month period.
- ❑ Look at issuing probationary licenses that may not be so difficult to rescind.

Tory Anderson stated that we're still looking at what will work for the department and what will work for the licensees. The probation license may or may not be in the proposed legislation. We're still discussing that. Hopefully we will have the bill dropped by next week.

Commissioner Wercinski stated the last pieces of this legislation are the fees. Instead of doubling the fees to \$120.00 they are looking at reducing the fees to \$100.00 because this will result in a decreased workload for the department.

Tory Anderson stated that we're going to share this information with the stakeholders. Tory Anderson welcomed any input and suggestions from board members. She invited them to contact her by phone or email with any comments and suggestions regarding the suggested Legislation.

### **Omnibus**

Tory Anderson provided copies of the Omnibus Bill summary for review by the Board. There was considerable discussion regarding the alignment of the licenses; the entity and designated broker. Issues of fees, problematic areas and impact on the industry were discussed. In conclusion, Tory Anderson stated that these issues would not be addressed legislatively but instead through Policy. Also, she requested additional feedback from the Board and attendees.

## **V. DIVISION MONTHLY REPORTS**

Tory Anderson provided the Board with the monthly ADRE activity report. There has been a slowing in the market and the Department has seen a slight decrease; however, there still continues to be a backlog and need for additional staff. Tory Anderson presented the "flip-book" that accompanies her and the Commissioner when visiting legislators. And the legislator is provided with a copy. This "flip-book" contains the following information:

- ❑ Number of staff position requested and division allocation
- ❑ ADRE Revenue vs. Appropriation History

❑ Division Statistics

**VII. OTHER MATTERS**

Chair Brasher thanked Former Commissioner Richardson for her contributions to the department, her work ethic and integrity. R.L. Brown acknowledged Former Commissioner Richardson on her professionalism, integrity and communication. He commented that Former Commissioner brought a “breath of fresh air” to the Department.

Former Commissioner Richardson acknowledged and thanked the Advisory Board for their support during her tenure. She stated that the Advisory Board has really “worked” in assisting the Department.

R.L. Brown asked, “What is this? No licensing on Tuesday?”

Director Cindy Wilkinson responded that the Licensing Division is kept busy answering phones, assisting and processing walk-ins, and that they are not able to get to the backlog. It was decided to set-aside Tuesday as a day when staff can have limited contact with walk-ins. Commissioner Wercinski stated that most brokerages have their office meetings on Tuesdays and that is why Tuesday was chosen because the agents don’t come to the Department in the morning because they’re at their office meetings. Mary Utley reported that there has not been any negative backlash.

Mary Utley reported on the Arizona-Mexico Commission (AMC). Commissioner Wercinski will be Co-Chair for the Real Estate Ad Hoc Committee, Former Co-Chair Richardson will be inducted into the Arizona-Mexico Board and Jacqueline Kochvar has replaced Marco Lopez as Executive Director for the AMC. Marco Lopez has been appointed Latin American Policy Advisor for the Governor.

Commissioner Wercinski plans to continue the Department’s involvement in the Real Estate Ad Hoc Committee and to meet with the Committee’s Sonora counterparts in the near future.

**VIII. CALL TO THE PUBLIC**

None.

**IX. ADJOURNMENT**

On a motion by \_\_\_\_\_, seconded by \_\_\_\_\_ and approved by the Board, Chair Brasher adjourned the meeting at 11:00 a.m.

DATED THIS \_\_\_\_\_ of \_\_\_\_\_ 2007.

**ARIZONA REAL ESTATE ADVISORY BOARD**

By: \_\_\_\_\_

**Gary Brasher, Chairman**